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Senate Democrats prepare to roll out budget blueprint

By Lori Montgomery, Published: March 11

Senate Democrats are drafting a federal budget blueprint that would raise nearly \$1 trillion in new taxes over the next decade and slice roughly \$1 trillion more from projected spending, according to Democratic aides familiar with the document.

But the framework would never bring the budget into balance, potentially putting Democrats on the defensive as Washington enters a <u>new phase</u> in the ongoing battle over the swollen national debt.

This week, both parties are scheduled to unveil competing visions for the 10-year period that begins Oct. 1. House Republicans have made <u>wiping out deficits</u> their top priority, and Budget Committee Chairman Paul Ryan (R-Wis.) plans to offer a framework Tuesday that would do so entirely through spending cuts.

Democrats have mocked that approach, calling it unfair to middle-class Americans and damaging to the economy. Instead, President Obama and Senate Budget Committee Chairman Patty Murray (D-Wash.) have called for a "balanced" approach that mixes tax hikes and spending cuts with new investments in infrastructure and education.

Murray plans to unveil her budget proposal on Wednesday, marking the first time Senate Democrats have drafted a budget since 2009. Aides said Murray will not offer explicit policies for raising new revenue or trimming expensive health programs, but will instead leave those details to other committees, including the tax-writing Senate Finance Committee

The president's budget request, meanwhile, is expected in early April — more than two months late. Instead of seeking to wipe out annual deficits entirely, Obama has a set a more nuanced goal of shrinking them to less than 3 percent of national economic output, White House press secretary Jay Carney said Monday.

Deficits of that size would require the U.S. Treasury to continue borrowing, and the \$16.6 trillion debt would continue to rise. But the size of the debt should stop growing as a percentage of the overall economy.

"The president has always believed that deficit reduction is not a goal unto itself," Carney said. "The proposals he's put forward keep the number-one objective in mind, which is economic growth and job creation, not deficit reduction solely for the purpose of reducing the deficit."

Aides to House Speaker John A. Boehner (R-Ohio) quickly pounced on Carney's remarks.

"A balanced budget is something the American people should never expect to see from this president," spokesman Brendan Buck wrote in a blog post. "It's clear that Republicans are the only ones in town with a plan to free our next generation from a growing mountain of debt."

Ryan has said his budget will look much like the framework the House adopted last year, though it will balance in 10 years instead of nearly 30 years, in large part due to more than \$600 billion in tax hikes adopted during the year-end battle over the <u>fiscal cliff</u>.

In addition, Ryan wants to slice about \$5 trillion from future spending, in part by ending Obama's health care initiative and block-granting many programs for the poor. Ryan also proposes to overhaul Medicare for people 54 and younger, replacing the program's open-ended guarantee with defined federal subsidies.

Democrats argue that Ryan's austere vision was rejected during the 2012 presidential election, when he served as the GOP vice-presidential nominee. House Democratic Whip Steny H. Hoyer (D-Md.) urged voters

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to look under the hood of his new balanced-budget claims.

"It's almost as if the election never happened," Hoyer said. "While this budget purports to balance within in 10 years, on a practical level, it could not be implemented."

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